

AMENDED IN SENATE AUGUST 20, 2009

AMENDED IN ASSEMBLY JUNE 1, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 88

**Introduced by Assembly Member Davis Committee on Public
Employees, Retirement and Social Security**

January 5, 2009

An act relating to state ~~employees~~ employees, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 88, as amended, *Davis Committee on Public Employees, Retirement and Social Security*. State employees: ~~memorandum~~ memoranda of understanding.

(1) Under existing law, a provision of a memorandum of understanding reached between the state employer and a recognized employee organization representing state civil service employees that requires the expenditure of funds does not become effective unless approved by the Legislature in the annual Budget Act.

This bill would approve provisions that require the expenditure of funds pursuant to memoranda of understanding entered into between the state employer and State Bargaining Units 1, 3, 4, 11, 14, 15, 17, 20, and 21, the Service Employees International Union, Local 1000, and would provide that these provisions will become effective even if these provisions are approved by the Legislature in legislation other than the annual Budget Act.

(2) *The annual Budget Act appropriates specified amounts from the General Fund, unallocated special funds, and unallocated nongovernmental cost funds, for state employee compensation.*

This bill would appropriate \$9,474,000 from those funds for state employee compensation in augmentation of the Budget Act of 2009.

(3) *This bill would provide that provisions of the memoranda of understanding approved by this bill that require the expenditure of funds will not take effect unless funds for these provisions are specifically appropriated by the Legislature, and would authorize either party to reopen negotiations on all or part of a memorandum of understanding if the Legislature does not approve or fully fund any provision of the memorandum of understanding that requires the expenditure of funds.*

(4) *This bill would declare that it is to take effect immediately as an urgency statute.*

~~Existing law provides that a provision of a memorandum of understanding reached between the state employer and a recognized employee organization representing state civil service employees that requires the expenditure of funds does not become effective unless approved by the Legislature in the annual Budget Act.~~

~~This bill would approve provisions of a memorandum of understanding entered into between the state employer and the American Federation of State and County Municipal Employees for State Bargaining Unit 19 that require the expenditure of funds, and would provide that these provisions will become effective even if these provisions are approved by the Legislature in legislation other than the annual Budget Act.~~

~~The bill would provide that provisions of the memorandum of understanding approved by this bill that require the expenditure of funds will not take effect unless funds for those provisions are specifically appropriated by the Legislature, and would require the state employer and the affected employee organization to meet and confer to renegotiate the affected provisions if funds for those provisions are not specifically appropriated by the Legislature.~~

Vote: ~~majority~~^{2/3}. Appropriation: ~~no~~yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. The Legislature finds and declares that the*
2 *purpose of this act is to approve agreements pursuant to Section*
3 *3517 of the Government Code entered into by the state employer*
4 *and State Bargaining Units 1, 3, 4, 11, 14, 15, 17, 20, and 21 on*
5 *February 13, 2009, that require the expenditure of funds.*

6 *SEC. 2. The provisions of the memoranda of understanding*
7 *prepared pursuant to Section 3517.5 of the Government Code and*
8 *entered into by the state employer and the following employee*
9 *organizations, and that require the expenditure of funds, are hereby*
10 *approved for the purposes of subdivision (b) of Section 3517.6 of*
11 *the Government Code:*

12 *(a) State Bargaining Unit 1, Service Employees International*
13 *Union, Local 1000.*

14 *(b) State Bargaining Unit 3, Service Employees International*
15 *Union, Local 1000.*

16 *(c) State Bargaining Unit 4, Service Employees International*
17 *Union, Local 1000.*

18 *(d) State Bargaining Unit 11, Service Employees International*
19 *Union, Local 1000.*

20 *(e) State Bargaining Unit 14, Service Employees International*
21 *Union, Local 1000.*

22 *(f) State Bargaining Unit 15, Service Employees International*
23 *Union, Local 1000.*

24 *(g) State Bargaining Unit 17, Service Employees International*
25 *Union, Local 1000.*

26 *(h) State Bargaining Unit 20, Service Employees International*
27 *Union, Local 1000.*

28 *(i) State Bargaining Unit 21, Service Employees International*
29 *Union, Local 1000.*

30 *SEC. 3. The provisions of the memoranda of understanding*
31 *approved by Section 2 of this act that are scheduled to take effect*
32 *on or after February 1, 2009, and that require the expenditure of*
33 *funds, shall not take effect unless funds for these provisions are*
34 *specifically appropriated by the Legislature. If the Legislature*
35 *does not approve or fully fund any provision of a memorandum of*
36 *understanding that requires the expenditure of funds, either party*
37 *may reopen negotiations on all or part of the memorandum of*
38 *understanding.*

1 *SEC. 4. Notwithstanding Section 3517.6 of the Government*
2 *Code, the provisions of any memorandum of understanding*
3 *included in Section 2 that require the expenditure of funds shall*
4 *become effective even if the provisions of the memorandum of*
5 *understanding are approved by the Legislature in legislation other*
6 *than the annual Budget Act.*

7 *SEC. 5. The sum of nine million four hundred seventy-four*
8 *thousand dollars (\$9,474,000) is hereby appropriated for*
9 *expenditure in the 2009–10 fiscal year in augmentation of, and*
10 *for the purpose of, state employee compensations as provided in*
11 *Items 9800-001-0001, 9800-001-0494, and 9800-001-0988 of*
12 *Section 2.00 of the Budget Act of 2009, in accordance with the*
13 *following schedule:*

14 *(a) Four million three hundred fifty-seven thousand dollars*
15 *(\$4,357,000) from the General Fund in augmentation of Item*
16 *9800-001-0001.*

17 *(b) Three million four hundred twenty-eight thousand dollars*
18 *(\$3,428,000) from unallocated special funds in augmentation of*
19 *Item 9800-001-0494.*

20 *(c) One million six hundred eighty-nine thousand dollars*
21 *(\$1,689,000) from other unallocated nongovernmental cost funds*
22 *in augmentation of Item 9800-001-0988.*

23 *SEC. 6. This act is an urgency statute necessary for the*
24 *immediate preservation of the public peace, health, or safety within*
25 *the meaning of Article IV of the Constitution and shall go into*
26 *immediate effect. The facts constituting the necessity are:*

27 *In order for the provisions of this act to be applicable as soon*
28 *as possible, and thereby facilitate the orderly administration of*
29 *state government at the earliest possible time, it is necessary that*
30 *this act take effect immediately.*

31 ~~SECTION 1. The Legislature finds and declares that the~~
32 ~~purpose of this act is to approve an agreement pursuant to Section~~
33 ~~3517.5 of the Government Code entered into by the state employer~~
34 ~~and a recognized employee organization.~~

35 ~~SEC. 2. The provisions of the memorandum of understanding~~
36 ~~prepared pursuant to Section 3517.5 of the Government Code and~~
37 ~~entered into by the state employer and State Bargaining Unit 19,~~
38 ~~dated _____, and that require the expenditure of funds, are hereby~~
39 ~~approved for the purposes of subdivision (b) of Section 3517.6 of~~
40 ~~the Government Code.~~

1 ~~SEC. 3.—The provisions of the memorandum of understanding~~
2 ~~approved by Section 2 of this act that require the expenditure of~~
3 ~~funds shall not take effect unless funds for these provisions are~~
4 ~~specifically appropriated by the Legislature. If funds for these~~
5 ~~provisions are not specifically appropriated by the Legislature, the~~
6 ~~state employer and the affected employee organization shall meet~~
7 ~~and confer to renegotiate the affected provisions.~~

8 ~~SEC. 4.—Notwithstanding Section 3517.6 of the Government~~
9 ~~Code, the provisions of the memorandum of understanding~~
10 ~~included in Section 2 that require the expenditure of funds shall~~
11 ~~become effective even if the provisions of the memorandum of~~
12 ~~understanding are approved by the Legislature in legislation other~~
13 ~~than the annual Budget Act.~~